



## Exploring Investment Awareness: A Student Perspective in South Kalimantan

Rizky Nastiti\*, Masithah Akbar, Norbaiti, RR. Siti Munawaroh

<sup>1,2,3</sup> Program Manajemen, STIE Indonesia Banjarmasin

e-mail: [rizky@stiei-kayutangi-bjm.ac.id](mailto:rizky@stiei-kayutangi-bjm.ac.id)

### Abstract

*Today's younger generation, especially students, are more aware of technological advances than the older generation. Even so, it is still a question whether they have an awareness of the importance of investment. Therefore, this study aims to analyze the investment awareness of the younger generation, in this case students. This study used a questionnaire as the main data collection instrument by taking a sample of 113 students majoring in economics in South Kalimantan. The results of the study reveal that financial literacy, personal interest and saving behavior have a positive and significant effect on the investment awareness of students. These results indicate that student investment awareness arises from their own awareness where they have the initiative to seek more detailed information about investment and the habit of making financial planning. Furthermore, studying the level of investment awareness can provide important insights for policy makers, and educational institutions on how to increase support for young investors in making sound investment decisions.*

**Keywords:** *Investment Awareness, Financial Literacy, Personal Interest, Saving Behavior, Young Generation*

### Abstrak

Generasi muda saat ini, terutama mahasiswa, lebih mengikuti kemajuan teknologi dibanding generasi tua. Meskipun demikian masih menjadi pertanyaan apakah mereka memiliki kesadaran akan pentingnya investasi. Oleh karenanya, penelitian ini bertujuan untuk menganalisis investment awareness dari generasi muda yang dalam hal ini mahasiswa. Penelitian ini menggunakan kuesioner sebagai alat pengumpulan data utama dengan mengambil sampel 113 mahasiswa jurusan ekonomi di Kalimantan Selatan. Hasil penelitian mengungkapkan bahwa literasi keuangan, kepentingan pribadi dan perilaku menabung berpengaruh secara positif dan signifikan terhadap investment awareness dari mahasiswa. Hasil ini menunjukkan bahwa investment awareness mahasiswa muncul dari kesadaran mereka sendiri dimana mereka memiliki inisiatif untuk mencari informasi yang lebih detail mengenai investasi dan kebiasaan untuk membuat perencanaan keuangan. Lebih lanjut lagi, meneliti tingkat kesadaran investasi dapat memberikan gambaran penting bagi pembuat kebijakan, dan lembaga pendidikan tentang caranya meningkatkan mendukung investor muda dalam membuat keputusan investasi yang baik.

Kata kunci: *Investment Awareness, Literasi Keuangan, Kepentingan Pribadi, Perilaku Menabung, Generasi Muda*

## INTRODUCTION

Investment awareness enables people to make sound and effective decisions in their investment activities. It is proven that many individuals need to be more successful in managing their investments efficiently (Ammer & Aldhyani, 2022). Today's younger generation, especially students, are more abreast of technological advances than the older generation. Even so, it is still a question whether their awareness of the importance of investment. A survey conducted by OCBC NISP (2022) shows that the level of awareness of the younger generation about investment products still needs to be higher. Based on the survey results, it was found that only 9% of respondents had savings in the form of investments. This shows that the financial habits of Indonesia's younger generation still need to be addressed, especially in managing finances for lifestyle.

Heniawan & Dewi (2021) explained that factors such as awareness, income level, and ability can influence the purchases of the younger generation. This means encouraging the younger generation to invest actively and raising awareness of the importance of investing first is necessary. Concerning investment awareness among the younger generation, especially students, there still needs to be more research in Indonesia, especially those focusing on South Kalimantan. In addition, the Head of OJK Regional 9 Kalimantan revealed that people's financial literacy in South Kalimantan is still at 42%. This data shows a need to increase the financial literacy of the people of South Kalimantan (<https://wartaniaga.com>, 21 March 2023).

In general, investment awareness among the younger generation is influenced by various factors, including financial literacy, saving behaviour, personal interests, environment, socialization of family finances, spending patterns, self-control, attitudes towards risk and other related factors. This study focuses on

three influencing variables: financial literacy, personal interest, and saving behaviour on the investment awareness of college students in South Kalimantan who are studying economics majors.

Financial literacy is a basic need for everyone to avoid financial problems (Mendari & Kewal, 2013 Bachtiar et al., 2022). Financial literacy is essential to have a deeper understanding of financial concepts and tools to gain the ability to make wise financial decisions and improve welfare (Philippas & Avdoulas, 2020). According to Mitchell & Lusardi (2015), financial literacy is an individual's ability to obtain, understand, and use financial data to make effective and complete financial judgments regarding financial matters (planning, investing, and liability management). Thus, if people or families want to be successful, they must have the required level of financial literacy.

Research on the positive and significant influence of financial literacy on investment awareness has been carried out by Azhar et al. (2017), Ammer & Aldhyani (2022), and Ali et al. (2022). Shaari et al. (2013) and Azhar et al. (2017) emphasize the importance of financial literacy in interpreting and managing money. Financial literacy also provides space for the younger generation to avoid being stuck with a lot of debt, especially credit card debt. Then, Ammer & Aldhyani (2022) students are more involved in investment activities because they become more aware of investment opportunities, the importance of investment for the future, investment opportunities to provide additional income, and the ability to explore websites about investing. These results emphasize the importance of financial literacy in understanding and managing money, which leads to better financial well-being and making sound investment decisions.

The second factor is personal interest or personal interest. Interest is an important aspect

that influences investors in investing (Kharisma & Sholeha, 2022). In their research, Azhar et al. (2017) revealed that personal interest is crucial in creating awareness of investing. In addition, according to Heniawan & Dewi (2021), interest in investing plays a vital role in the overall awareness of individual financial management behaviour. Various efforts are needed to increase student investment awareness to foster students' interest in investing.

Furthermore, the third factor is saving behaviour. Mpaata et al. (2020) highlighted that saving is a basic human need that enables people to deal with complex financial choices. Controlling one's consumption and knowing how to spend money wisely are two benefits of saving (Ariffin et al., 2017). Ali et al. (2022) concluded that it is necessary to understand financial management, which will improve saving behaviour, investment knowledge, and abilities. Therefore, saving is a behaviour that can significantly influence investment choices.

Based on the theory and previous research described above, this research focuses on analyzing the investment awareness of the younger generation, in this case, students majoring in economics in South Kalimantan. The research results are expected to reveal the effect of financial literacy, personal interests and saving behaviour on the investment awareness of students. Thus, the results of this research are expected to provide an essential picture for policymakers and educational institutions on how to increase support for young investors in making good investment decisions.

## THEORETICAL REVIEW

### *Investment Awareness*

Investment is generally defined as an asset owned or controlled by an investor, either directly or indirectly. It has characteristics such as a commitment of capital or other

resources, anticipation of profit or gain, or assumption of threat (Malik, 2008 in Azhar et al., 2017 ). Investment Awareness refers to individual awareness to carry out investment activities. Wang (2011) in Azhar et al. (2017) assume that awareness, income, and abilities are essential in influencing the younger generation to invest. As is generally known, investment can provide income for investors if appropriately managed. If students know the benefits of a good investment, they will be more interested in investing.

### *Financial Literacy*

Financial literacy combines awareness, knowledge, skills, attitudes and behaviours needed to make sound financial decisions and achieve individual financial well-being (OECD, 2013 in Ali et al., 2022). Shaari et al. (2013) define financial literacy as the ability to read, interpret and analyze, manage money, communicate about personal financial conditions that affect material well-being, calculate, develop independent judgments, and take actions resulting from these processes to develop, in the complex world of finance. Financial literacy is critical in managing and handling money, resulting in higher financial well-being and more efficient investment decisions. Financial knowledge is required for better investment awareness (Ali et al., 2022).

**H1:** Financial literacy has a positive and significant effect on student investment awareness

### *Personal Interests*

Sewwandi (2015) in Azhar et al. (2017) show that most individual investors carry out their investment activities by paying attention to the future returns of the shares they buy and the number of returns on the shares they sell. Individual attitude towards money is the most emotional relationship. Azhar et al. (2017) in

his research also concluded that personal interest is an essential element in creating awareness of investing. Respondents indicated that if they were going to invest, they needed guaranteed returns; they prefer to invest in low income and earn higher returns for a more extended period.

**H2:** Personal interest has a positive and significant effect on student investment awareness

#### *Saving Behavior*

According to Alshebami & Seraj (2021), savings are an indispensable basis for investing, which ultimately results in economic development and expansion. Saving is a fundamental need for people to enable them to resolve difficult financial decisions in their lives (Mpaata et al., 2020). Furthermore, Ali et al. (2022) concluded that saving behaviour positively affects student

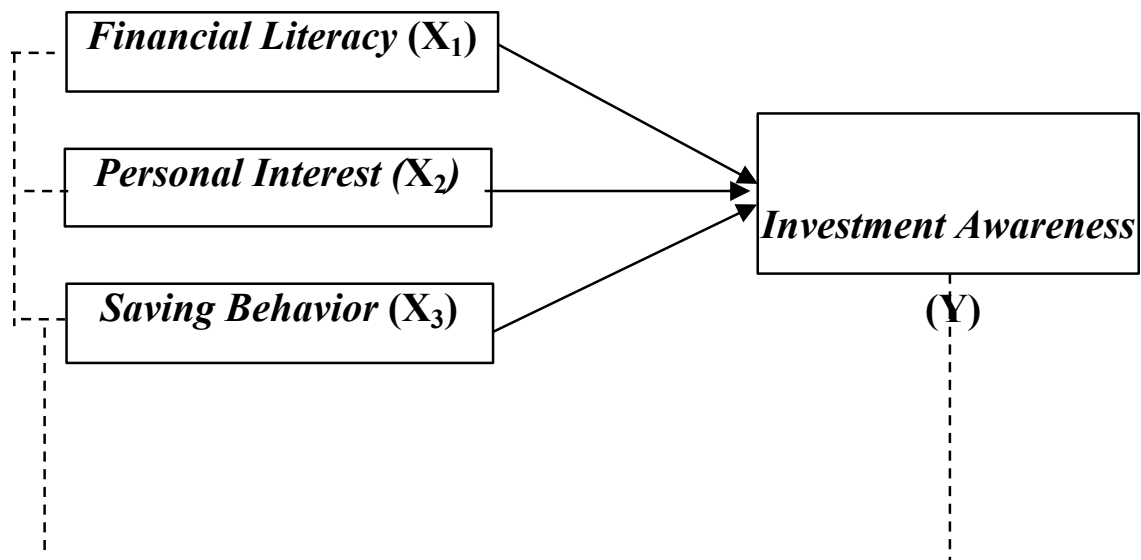
investment awareness. Good saving behaviour will make it easier for students to invest in the future and solve financial problems.

**H3:** Saving behaviour has a positive and significant effect on student investment awareness

**H4:** Financial literacy, personal interest, and saving behaviour have a positive and significant effect on student investment awareness

#### *Conceptual framework*

Therefore, this study aims to determine the effect of financial literacy, personal interest and saving behaviour on the investment awareness of students majoring in economics in South Kalimantan. The conceptual framework in this study can be seen in Figure 1 below.



**Figure 1.** Conceptual Framework  
Source: Author, 2023

## RESEARCH METHOD

### *Research types*

This research is explanatory. In this study, researchers investigated the effect of independent variables, the influence of financial literacy, personal interest and saving behaviour on the dependent variable, investment awareness.

### *Population and Sample*

This research is located in South Kalimantan from December 2022 to February 2023. The population in this study is students in South Kalimantan. The number of samples taken was 113 respondents with a sampling technique using purposive sampling, namely the selection of samples based on criteria, namely university students in South Kalimantan who are studying in the economics department, which includes Management and Accounting study programs.

### *Data collection technique*

The data from this study are primary data collected by observation techniques, questionnaires, and documentation. Questionnaires were distributed using Google Forms media to facilitate the distribution of questionnaires. In the questionnaire, respondents were asked to respond to statements, which consisted of 30 items: 10 financial literacy items and 6 personal interest items were adapted from research by Azhar et al., (2017) and Ammer & Aldhyani (2022). Meanwhile, 6 items of saving behavior were adapted from research by Potrich et al. (2015), Yong & Tan (2017), Azhar et al. (2017) and Ammer & Aldhyani (2022). Furthermore, the 8 investment awareness items were adapted from research by Agarwalla et al. (2012), Ariffin et al. (2017), and Ammer & Aldhyani (2022).

### *Data analysis*

Before collecting data, instrument testing was carried out by testing the validity and

reliability tests. Then, once collected, the data is tested using the classical assumption test. After that, hypothesis testing is carried out using a multiple linear regression model to test the relationship between the independent and dependent variables, investment awareness.

## RESULTS AND DISCUSSION

### *Descriptive*

After the questionnaire was distributed in the form of a Google Form within three months, it was found that 113 respondents were university students in South Kalimantan who were currently studying economics majors. Based on the data presented in Table 1, it can be concluded that the respondents of this study were aged 18-23 years. In addition, out of 113 respondents, 49 people (43.36%) were men, and 64 (56.64%) were women. As for the study program, 48 people (42.48) of the respondents came from the accounting study program and 65 people (57.52%) from the management study program.

### *Hypotheses Testing*

Before conducting data collection, testing of the research instrument was carried out through validity and reliability tests. An item in the questionnaire is called valid if the correlation coefficient is positive and greater than the  $r$  table. Based on calculations, 30 questionnaire items were declared valid because they had  $r$  table values of  $\geq 0.444$ . In addition, from the reliability test, it was found that the instrument used was reliable. The results of reliability testing can be seen in Table 2.

The classical assumption test was carried out after the research instrument was declared valid and reliable. The classic assumption test results show that the data obtained is normal. So, then regression analysis was performed on the data to test the effect of financial literacy, personal interest and saving behaviour on investment awareness. Table 3 shows the regression analysis results with a significance of 0.05.

**Table 1.** Respondent characteristics

Karakteristik	f	%
<b>Ages:</b>		
18 years old	16	14,16
19 years old	42	37,17
20 years old	23	20,35
21 years old	19	16,81
22 years old	9	7,96
23 years old	4	3,54
<b>Gender:</b>		
Male	49	43,36
Female	64	56,64
<b>Department:</b>		
Accounting	48	42,48
Management Studies	65	57,52
Total	113	100.0

Sumber: Data primer diolah, 2023

**Tabel 2.** Hasil Pengujian Reliabilitas

Variabel	Koefisien Alpha Cronbach	Batas Reliabilitas	Ket.
<i>Financial Literacy</i> ( $X_1$ )	0,774	0,6	Reliabel
<i>Personal Interest</i> ( $X_2$ )	0,811	0,6	Reliabel
<i>Saving Behavior</i> ( $X_3$ )	0,721	0,6	Reliabel
<i>Investment Awareness</i> (Y)	0,943	0,6	Reliabel

Sumber: Data primer diolah, 2023

**Table 3.** Measurement Model Results (*Outer Model*)

Variabel	Beta	t-value	sig	Results
Constant	0,081	0,043	0,000	
<i>Financial Literacy</i> ( $X_1$ )	0,361	4,428	0,000	Significant
<i>Personal Interest</i> ( $X_2$ )	0,260	2,453	0,016	Significant
<i>Saving Behavior</i> ( $X_3$ )	0,447	3,506	0,001	Significant
Adjusted R Square = 0,689 R Square = 0,697 R = 0,835 <sup>a</sup> F hitung = 83,525 Sig F = 0,000		F tabel = 2,69 t tabel = 1,659		

Dependent: Investment Awareness

Source : Authors, 2023

Furthermore, the results of hypothesis testing to answer the research problem formulation are also presented in Table 3. The first test is the F test which tests the presence of a significant influence of financial literacy, personal interest and saving behaviour variables on investment awareness using the F test by comparing the F count with the F table.

At the 95% confidence level ( $\alpha = 0.05$ ), the F table value = 2.69 while the calculated F value = 83.525. Thus the value of F count > F table so that H4 is accepted, so it is statistically proven that there is a real influence of the variables financial literacy, personal interest and saving behaviour together (simultaneously) on the investment awareness of students majoring in economics

in South Kalimantan. Thus the hypothesis, which states that financial literacy, personal interest and saving behaviour have a positive and significant simultaneous effect on the investment awareness of students majoring in economics in South Kalimantan, is statistically proven to be accepted or H4 is accepted.

Table 3 also presents the results of the t-test. The partial test results show that the calculated t-value of the financial literacy variable (X1) is 4.428, with a significance value of  $0.000 < 0.05$ . Thus partially, financial literacy has a positive and significant influence on the investment awareness of students majoring in economics in South Kalimantan. The first hypothesis (H1), which states that the financial literacy variable influences student investment awareness, can be accepted.

In addition, the calculated t-value of the personal interest variable (X2) is 2.453, with a significance value of  $0.016 < 0.05$ . Thus, personal interest positively and significantly influences the investment awareness of students majoring in economics in South Kalimantan. So the second hypothesis (H2), which states that the personal interest variable influences student investment awareness, can be accepted.

Furthermore, the calculated saving behaviour (X3) value is 3.506, with a significance value of  $0.001 < 0.05$ . Thus partially saving behaviour has a positive and significant influence on the investment awareness of students majoring in economics in South Kalimantan. So the third hypothesis (H3), which states that the saving behaviour variable affects student investment awareness, can be accepted.

Then, from the analysis results, the coefficient of determination (Adjusted R<sup>2</sup>) is 0.689. This finding shows that the investment awareness variable can be explained by the three variables, namely financial literacy (X1), personal interest (X2) and saving behaviour (X3) of 69%. At the same time,

other variables outside the variables in this study explain the remaining 31%.

### *Discussion*

The regression analysis results show that financial literacy, personal interest and saving behaviour have a positive and significant effect on the investment awareness of students. Financial literacy is the main thing in growing investment awareness. The results of this study are in line with the results of research by Azhar et al. (2017), Ammer & Aldhyani (2022), and Ali et al. (2022). Ammer & Aldhyani (2022) underscore the importance of financial literacy regarding understanding and managing money to lead to better financial well-being and making the right investment decisions. Mitchell & Lusardi (2015) also revealed that financial literacy gives investors greater returns.

Second, personal interest positively and significantly influences student investment awareness. This research is supported by the results of Azhar et al. (2017), which revealed that personal interest is an essential element in creating awareness of investing. Respondents indicated that if they were going to invest, they needed guaranteed returns; they preferred to invest in low income and earn higher returns for a more extended period. Cultivating student personal interest in investing will increase student investment awareness.

Third, saving behaviour positively and significantly influences student investment awareness. This study's results align with the research conducted by Ammer & Aldhyani (2022) and Ali et al. (2022). Ali et al. (2022) concluded that saving behaviour positively affects student investment awareness. Good saving behaviour will make it easier for students to invest in the future and solve financial problems. According to Alshebami & Al Marri (2022), saving is essential for

individuals because it leads to creating a business through investment. They added that saving allows individuals to face future financial challenges, namely investment and potential risks. Individuals regard savings as a source of financing and reinvest these savings for future investments.

In short, the efforts of families, educational institutions and the government to increase the investment awareness of the younger generation need to start by cultivating financial literacy, self-interest and saving behaviour from the younger generation from an early age. It is intended that the younger generation can make wise investment decisions and have good financial planning.

## CONCLUSSION AND RECOMMENDATION

### *Conclusion*

This study aims to analyze the investment awareness of the younger generation, in this case, students majoring in economics in South Kalimantan. The results of the study revealed that financial literacy, personal interests and saving behaviour have a positive and significant effect on the investment awareness of students. These results indicate that student investment awareness arises from their awareness, where they have the initiative to seek more detailed information about investment and the habit of doing financial planning.

Furthermore, based on the test results, financial literacy is the factor that has the most dominant influence on the investment awareness of students. This finding shows that to foster investment awareness among younger generation, need various efforts are needed to increase their financial literacy. One of the efforts universities can make to increase student financial literacy is by holding classes or workshops on financial management and

investment—cooperation with financial institutions such as OJK.

### *Limitations and Suggestions*

This research still has limitations, including many other variables that affect investment awareness outside the studied variables. It is suggested that future researchers add other variables, such as environment, spending patterns, self-control, attitude towards risk, and family financial socialization.

Furthermore, the results of this research are expected to provide important insights for policymakers and educational institutions on how to increase support for young investors in making good investment decisions.

## REFERENCES

- Agarwalla, S. K., Barua, S., Jacob, J., & Varma, J. R. (2012). A Survey of Financial Literacy among Students , Young Employees and the Retired in India. Indian Institute of Management Ahmedabad, June, 1–9. [http://www.iimahd.ernet.in/fls/fls12/Executive\\_Summary.pdf](http://www.iimahd.ernet.in/fls/fls12/Executive_Summary.pdf)
- Ali, M. A. S., Ammer, M. A., & Elshaer, I. A. (2022). Determinants of Investment Awareness: A Moderating Structural Equation Modeling-Based Model in the Saudi Arabian Context. *Mathematics*, 10(20). <https://doi.org/10.3390/math10203829>
- Alshebami, A. S., & Al Marri, S. H. (2022). The Impact of Financial Literacy on Entrepreneurial Intention: The Mediating Role of Saving Behavior. *Frontiers in Psychology*, 13(June). <https://doi.org/10.3389/fpsyg.2022.911605>
- Alshebami, A. S., & Seraj, A. H. A. (2021). The Antecedents of Saving Behavior and Entrepreneurial Intention of Saudi Arabia



- University Students. *Educational Sciences: Theory and Practice*, 21(2), 67–84. <https://doi.org/10.12738/jestp.2021.2.005>
- Ammer, M. A., & Aldhyani, T. H. H. (2022). An Investigation into the Determinants of Investment Awareness: Evidence from the Young Saudi Generation. *Sustainability (Switzerland)*, 14(20), 1–25. <https://doi.org/10.3390/su142013454>
- Ariffin, M. R., Sulong, Z., & Abdullah, A. (2017). Students' Perception Towards Financial Literacy and Saving Behavior. *World Applied Sciences Journal*, 35(10), 2194–2201. <https://doi.org/10.5829/idosi.wasj.2017.2194.2201>
- Azhar, Z., Azilah, N., & Syafiq, A. (2017). Investment Awareness Among Young Generation. 36(Icbmr), 126–135. <https://doi.org/10.2991/icbmr-17.2017.12>
- Bachtiar, Y., Koroy, T. R., Akbar, M., Nastiti, R., Normalina, Syahdan, S. A., Norbaiti, Munawaroh, R. . S., & Firdaus, I. (2022). Edukasi Financial Capability: Mempersiapkan Generasi Muda Mencapai Financial Well-Being. *Abdimas Universal*, 4(2), 186–190. <http://abdimasuniversal.uniba-bpn.ac.id/index.php/abdimasuniversal/article/view/217%0Ahttps://abdimasuniversal.uniba-bpn.ac.id/index.php/abdimasuniversal/article/download/217/106>
- Heniawan, D. A., & Dewi, A. S. (2021). Factors Affecting Investment Awareness: Case Study on Productive Age in Surabaya City. *Journal of Research in Business*, 3(2), 147–152. <http://myjms.mohe.gov.my/index.php/ajrbm/article/view/14553>
- Kharisma, A. S., & Sholeha, A. (2022). Millennial Generation Investment Interest through Financial Technology in the Post-Covid-19 Pandemic Period. *Enrichment: Journal of Management*, 12(4), 2941–2947.
- Mendari, A. S., & Kewal, S. S. (2013). Tingkat Literasi Keuangan di Kalangan Mahasiswa STIE Musi. *Jurnal Economia*, 9(2).
- Mitchell, O. S., & Lusardi, A. (2015). Financial Literacy and Economic Outcomes: Evidence and Policy Implications . *The Journal of Retirement*, 3(1), 107–114. <https://doi.org/10.3905/jor.2015.3.1.107>
- Mpaata, E., Koskei, N., & Saina, E. (2020). Social Influence And Savings Behavior: Evidence From A Developing Country Context. *SEISENSE Journal of Management*, 3(4), 56–67. <https://doi.org/10.33215/sjom.v3i4.396>
- OCBC NISP. (2022). *Financial Fitness Index 2022*. Jakarta.
- Philippas, N. D., & Avdoulas, C. (2020). Financial literacy and financial well-being among generation-Z university students: Evidence from Greece. *European Journal of Finance*, 26(4–5), 360–381. <https://doi.org/10.1080/1351847X.2019.1701512>
- Potrich, A. C. G., Vieira, K. M., & Kirch, G. (2015). Determinants of financial literacy: Analysis of the influence of socioeconomic and demographic variables. *Revista Contabilidade e Financas*, 26(69), 362–377. <https://doi.org/10.1590/1808-057x201501040>
- Shaari, N. A., Hasan, N. A., Ramesh Kumar Moona Haji, M., & Mior Ahmad Jafri Md, S. (2013). Financial Literacy: a Study Among the University Students. *Interdisciplinary Journal of Contemporary Research In Business*, 5(2), 279.
- Yong, H.-N. A., & Tan, K.-L. (2017). The Influence Of Financial Literacy Towards Risk Tolerance. *International Journal of Business and Society*, 18(3), 469–484. <https://doi.org/10.33736/ijbs.3139.2017>

### ***Investment Awareness***

1. I am knowledgeable about different types of investments.
2. I understand the importance of investment for the future.
3. I recognize that investment is beneficial for financial planning.
4. I am aware that investing can provide additional income.
5. I acknowledge that investing carries risks.
6. I actively seek to increase my knowledge about various investments.
7. I utilize social media, newspapers, and TV to enhance my understanding of investments.
8. I frequently visit investment websites to stay informed.

### ***FINANCIAL LITERACY***

9. I am familiar with various types of investment instruments such as bonds, stocks, etc.
10. I am aware that investing can have both positive and negative effects.
11. I know where to find reliable information about investments.
12. I understand the importance of diversification in investing.
13. Managing my personal finances is highly important to me.
14. I regularly read to improve my financial knowledge.
15. I have my own budget plan for short-term and long-term financial planning.
16. I possess the ability to maintain records of my income and expenses.
17. I am prudent in all aspects of my finances, including setting priorities.
18. I have sufficient knowledge about credit and loans to avoid financial uncertainty.

### ***PERSONAL INTERESTS***

19. I have a strong interest in learning more about investing.
20. I believe investing can be profitable.
21. I prefer low-risk investment options.
22. I am aware that investing can offer higher returns.
23. Long-term investing appeals to me.
24. I want to invest to earn additional income.

### ***SAVING BEHAVIOR***

25. Whenever I receive money, I consistently set aside a portion for savings.
26. I save money to cover necessary expenses in life.
27. I am saving for future financial needs.
28. I maintain a monthly budget to facilitate my savings.
29. I have reduced my expenses to increase my savings.
30. I save money for long-term goals, such as purchasing a motorbike, car, house, etc.